

## APPENDIX A

### FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Agriculture</b>						
1	28	Complete a review of employee personnel files and reconfirm that withholding documentation is accurate and complete.	N/A	Agree	12/31/2001	N/A
<b>Department of Corrections</b>						
2	32	Review the policy on communicating employee status changes with department supervisors.	N/A	Agree	1/1/2002	N/A
<b>Department of Health Care Policy and Financing</b>						
3	37	Ensure all accounts receivable balances are reconciled on a periodic basis and all federal receivables not subsequently collected are resolved within one year.	N/A	Agree	6/30/2001	N/A
<b>Department of Health Care Policy and Financing and Department of Human Services</b>						
4	40	Work together to assign responsibilities for overall cost control over Medicaid funding for Department of Human Services programs.	N/A	Agree	12/31/2001	N/A

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
5	40	Operate within their fixed budgets when possible, and identify and request approval for unavoidable overexpenditures in a timely manner.	N/A	Agree	8/6/2001	N/A
6	43	Improve coordination and communication to ensure that expenditures are appropriately and consistently charged and that expenditures are transferred timely.	N/A	Agree	12/31/2001	N/A
7	47	Institute a quarterly process for reviewing and reconciling Medicaid expenditures for Department of Human Services programs recorded at the Department of Health Care Policy and Financing.	N/A	Agree	1/31/2002	N/A
<b>Department of Human Services</b>						
8	47	Improve management of Medicaid funds by (a) establishing monthly reconciliation processes within Medicaid-funded programs and (b) implementing an analytical review process over Medicaid activity.	N/A	Agree	1/31/2002	N/A
9	48	Follow generally accepted accounting principles related to accounts payable by (a) calculating appropriate year-end estimates and (b) reviewing expenditures charged to accounts payable after year-end.	N/A	Agree	8/6/2001	N/A

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Health Care Policy and Financing</b>						
38	133	Ensure payments are made only for allowable costs by (a) requiring current Electronic Data Interchange agreements for every provider, (b) establishing procedures to test providers' compliance with established requirements, (c) ensuring transportation payments are made only to authorized providers, and (d) establishing reviews of the Medicaid claims process.	93.777, 93.778 (A) DHHS	Agree	Part a: 6/30/2005 Part b: 6/30/2002 Part c: 7/1/2002 Part d: 4/30/2002	Joe Keebaugh (303)866-2487
39	135	Ensure adequate controls are in place over automated systems for the Medicaid program by (a) performing and documenting the required biennial risk analysis for the Medicaid Management Information System (MMIS) and (b) implementing a regular, systematic, independent assessment of controls over MMIS.	93.777, 93.778 (N) DHHS	Agree	Part a: 6/30/2002 Part b: 12/31/2002	Joe Keebaugh (303)866-2487
40	138	Strengthen controls over the eligibility process by (a) working with the Department of Human Services to ensure all county departments of social services are maintaining adequate files for Medicaid-eligible beneficiaries, (b) establishing control procedures to ensure claims are not paid for an individual who is ineligible for benefits, and (c) performing periodic random testing of eligibility claims.	93.777, 93.778 (E) DHHS	Agree	Parts a and c: 8/31/2002 Part b: 12/31/2002	Joe Keebaugh (303)866-2487

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
41	141	Improve controls over provider eligibility by (a) requiring that the fiscal agent ensure each file includes documentation of a current provider agreement and applicable provider licenses and registrations, (b) ensuring expenditures are made only to eligible providers, and (c) formalizing a five-year strategic plan for provider reenrollment.	93.777, 93.778 (N) DHHS	Agree	Part a: 6/30/2005 Part b: 8/31/2002 Part c: Implemented	Joe Keebaugh (303)866-2487
42	142	Improve documentation of program integrity cases by (a) ensuring all cases are handled consistently and timely and (b) requiring that case files contain all required supporting documentation and approvals.	93.777, 93.778 (N) DHHS	Agree	Part a: Implemented Part b: 4/30/2001	Joe Keebaugh (303)866-2487
43	144	Require a periodic review of eligibility determination for the Children's Basic Health Plan to ensure proper enrollment.	93.767 (E) DHHS	Agree	6/30/2002	Joe Keebaugh (303)866-2487
44	145	Modify the Interagency Agreement with the Department of Human Services for single entry point (SEP) subrecipient monitoring by (a) conducting risk assessments for each SEP to evaluate the need for an on-site financial review and (b) requiring that all SEPs receive an on-site financial review within a reasonable period of time.	93.777, 93.778 (M) DHHS	Agree	Part a: 7/1/2002 Part b: 7/1/2004 (pending legislative approval)	Joe Keebaugh (303)866-2487
45	149	Ensure claims processed through MMIS are accurate and allowable under the Medicaid program by (a) establishing performance measures for claims processing, (b) conducting regular claims audits, (c) reporting all errors and problems identified in the claims audit, and (d) ensuring corrective action plans are developed and implemented in a timely manner.	93.777, 93.778 (B) DHHS	Agree	Part a: 6/30/2001 Parts b and c: 9/15/2001 Part d: 9/30/2001 and ongoing	Joe Keebaugh (303)866-2487

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
46	152	Ensure claims processed are accurate and allowable by requiring the fiscal agent to (a) expand quality assurance procedures for testing the accuracy of data entry on paper claims, (b) conduct regular audits of paid claims on a defined percentage of processed claims, and (c) increase oversight of edit resolution claim technicians and reassess production requirements to ensure suspended claims are appropriately resolved.	93.777, 93.778 (B) DHHS	Agree	Parts a and b: 9/1/2001 Part c: 8/1/2001	Joe Keebaugh (303)866-2487
47	154	Establish the review of MMIS edits, edit dispositions, and edit resolution text as a high priority.	93.777, 93.778 (B) DHHS	Agree	8/31/2001	Joe Keebaugh (303)866-2487
48	156	Develop and implement adequate controls over the provider database in MMIS by establishing formal policies, procedures, and time frames for (a) routine reenrollment of Medicaid providers, (b) deactivation of providers who have not submitted claims to the Medicaid program for specified lengths of time, and (c) periodic data matches on provider credential information with other state agencies that regulate Medicaid providers.	93.777, 93.778 (B) DHHS	Agree	8/31/2001	Joe Keebaugh (303)866-2487
49	158	Establish routine communication on disciplinary actions taken by other state agencies that regulate Medicaid providers.	93.777, 93.778 (B) DHHS	Agree	8/31/2001	Joe Keebaugh (303)866-2487
50	159	Implement edits in MMIS to review laboratory claims for compliance with CLIA requirements in accordance with state Medicaid policy.	93.777, 93.778 (B) DHHS	Agree	6/30/2001	Joe Keebaugh (303)866-2487

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
51	169	Work with the General Assembly to develop more appropriate service limits for HCBS and home health services.	93.777, 93.778 (B) CMS	Agree	10/1/2001	Joe Keebaugh (303)866-2487
52	170	Routinely monitor the overall costs of skilled and unskilled care for individuals in community settings.	93.777, 93.778 (B) CMS	Agree	10/1/2001	Joe Keebaugh (303)866-2487
53	174	Monitor the implementation of the home health rules.	93.777, 93.778 (P) CMS	Agree	Ongoing	Joe Keebaugh (303)866-2487
54	177	Increase the value added by its Program Integrity Unit.	93.777, 93.778 (B) CMS	Agree	7/1/2002	Joe Keebaugh (303)866-2487
55	181	Work with the State's Fiscal Agent to implement additional system edits and controls. Further, the Department should perform ongoing reviews of the edits in place.	93.777, 93.778 (B) CMS	Agree	8/1/2001	Joe Keebaugh (303)866-2487
56	183	Evaluate the costs and benefits of combining assessment and eligibility determination, and establish an independent review of these processes.	93.777, 93.778 (E) CMS	Agree	3/1/2002	Joe Keebaugh (303)866-2487

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
57	185	Include enforcement actions in the SEP contracts.	93.777, 93.778 (P) CMS	Agree	6/30/2002	Joe Keebaugh (303)866-2487
<b>Department of Higher Education</b>						
<b>Colorado Historical Society</b>						
10	51	Ensure the Byers-Evans House submits cash register tapes with all revenue remittances.	N/A	Agree	12/31/2001	N/A
<b>University of Colorado at Boulder</b>						
58	189	Ensure that review of audit reports of subrecipient monitoring activity addresses proper review and resolution of findings noted in the reports.	12.114, 12.300 (M) DOD	Agree	12/31/2001	Judd Hurd (303)492-1449

---

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>University of Southern Colorado</b>						
59	192	Should (a) ensure the promissory notes addendum is provided to students and included in their files, (b) ensure timely contact with borrowers during grace periods, (c) obtain adequate documentation from students for loan deferments or cancelled loans, (d) ensure contact with borrowers in default is performed as required, (e) conduct exit counseling with borrowers, (f) ensure those responsible for the federal Perkins Loan Program are properly trained, and (g) consider outsourcing the federal Perkins loan database administration and collection functions.	84.038 (N) DOE	Agree	Part a: Implemented Parts b, c, d, e, f: 6/30/2002 Part g: 1/31/2002	Don Ortega (719)549-2133
60	194	Implement procedures to ensure that returns of Title IV funds are calculated accurately for all students, and returned to Title IV programs on a timely basis.	84.063, 84.007, 84.037, 84.038, 84.032 (N) DOE	Agree	12/31/2001	Don Ortega (719)549-2133
<b>University of Northern Colorado</b>						
61	196	Change the beginning of the grace period for Perkins loan borrowers who withdraw from the University or drop to less than half-time enrollment.	84.038 (N) DOE	Agree	10/1/2001	Mickey Mendez (970)351-1825

---



## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Colorado School of Mines</b>						
62	198	Ensure subrecipient files are properly maintained, and provide documentation for the subrecipient monitoring that has occurred.	Various CFDA Nos.- See full text comment for a listing of numbers (M) DOD, DOEN, DHHS, EPA, NASA, OSHRC, USDA	Agree	12/31/2001	Steven Bridgeman (303)273-3262
63	198	Ensure counseling sessions are performed and documented.	84.032 (N) DOE	Agree	1/31/2002	Steven Bridgeman (303)273-3262
<b>Department of Human Services</b>						
11	56	Record expenditures within the proper appropriations and reverse unused accounts payable accruals.	N/A	Agree	7/1/2001	N/A
12	58	Improve controls over fixed assets by (a) completing quarterly reconciliations between fixed asset expenditures and additions to fixed assets and (b) correcting identified errors on COFRS prior to fiscal year-end.	N/A	Agree	3/31/2002	N/A
13	59	Ensure securities held as retainage for construction projects are recorded in COFRS accurately and in a timely manner.	N/A	Agree	12/30/2001	N/A

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
64	204	Develop a formalized process for on-site monitoring of county activities for the TANF program to ensure that federal and state requirements are met, including a time frame for conducting county reviews and specific steps for performing follow-up.	93.558 (M) DHHS	Agree	4/1/2002 and ongoing	Danelle Young (303)866-3904
65	205	Ensure adequate controls over fraud and abuse in the TANF program by counties by (a) requiring counties to submit standards and procedures, (b) reviewing these standards and procedures for compliance to the State Plan, (c) developing a formal process that includes a monitoring schedule for reviews of county fraud procedures and cases, and (d) following up on problems identified during county reviews.	93.558 (M) DHHS	Agree	Part a: 4/15/2002 Part b: 6/15/2002 Part c: 6/15/2002 and ongoing Part d: 5/15/2002 and ongoing	Danelle Young (303)866-3904
66	209	Ensure federal funds are drawn down in a timely manner for all federal programs.	10.551, 10.561, 10.555, 84.126, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.659, 93.667, 93.959, 96.001 (C) DHHS, USDA, DOE, SSA	Agree	3/31/2002	Dick Taylor (303)866-2732
67	212	Improve inventory controls for the Food Distribution Program by (a) resolving identified discrepancies and (b) developing formal procedures for tracking commodities.	10.550, 10.555, 10.558, 10.559 (M) USDA	Agree	11/1/2001	Mark Tandberg (303)866-2535

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
68	213	Segregate duties within the Food Distribution Program.	10.550, 10.555, 10.558, 10.559 (A), (B) USDA	Agree	11/1/2001	Mark Tandberg (303)866-2535
69	215	Improve controls over the Vocational Rehabilitation program to ensure compliance with federal and state regulations by (a) reinstating on-site quality assurance reviews and (b) documenting supervisory review procedures.	84.126 (A), (B), (E) DOE	Agree	7/1/2001	Diana Huerta (720)884-1221
70	217	Strengthen fiscal controls and accounting procedures over reporting for the Vocational Rehabilitation Program by (a) maintaining adequate documentation, (b) reviewing reports prior to submission, and (c) documenting procedures for preparation of the reports.	84.126 (L) DOE	Agree	3/31/2002	Diana Huerta (720)884-1221
71	220	Should (a) develop and/or formalize policies and procedures for all CFMS functional areas, (b) perform a comprehensive review of existing policies and procedures, (c) perform periodic review of policies and procedures, and (d) establish a process to monitor compliance with policies and procedures.	10.550, 10.551, 10.555, 10.558, 10.559, 10.560, 10.561, 10.565, 10.568, 17.249, 93.043, 93.556, 93.558, 93.563, 93.566, 93.568, 93.575, 93.576, 93.584, 93.596, 93.603, 93.645, 93.652, 93.659, 93.667, 93.669, 93.674 (P) DHHS, DOL, USDA	Agree	12/31/2000	Richard D. Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
72	223	Require DynCorp to review the current database access structure for appropriate segregation of duties. The Department should establish procedures that require appropriate authorization of logical access and change database passwords periodically.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	12/31/2000	Richard D. Taylor (303)866-2732
73	225	Modify the agreement with DynCorp to include responsibility for application change management.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	12/31/2000	Richard D. Taylor (303)866-2732
74	225	Require DynCorp to strengthen adherence to application change management policies and procedures.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	12/31/2000	Richard D. Taylor (303)866-2732
75	226	Develop, formalize, and monitor policies and procedures related to database administration.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	6/30/2001	Richard D. Taylor (303)866-2732
76	227	Designate a UNIX administrator.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	9/1/2000	Richard D. Taylor (303)866-2732

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
77	228	Consider utilization of database audit functionality.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	10/31/2000	Richard D. Taylor (303)866-2732
78	230	Should (a) strengthen adherence to application user access setup policies, (b) eliminate all generic user IDs with published passwords, and (c) review user access periodically.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	12/31/2000	Richard D. Taylor (303)866-2732
79	232	Review positions and responsibilities to ensure all critical duties are performed in a timely manner while maintaining an appropriate segregation of duties.	See Rec No. 71 for CFDA Numbers (P) DHHS, DOL, USDA	Agree	9/30/2000	Richard D. Taylor (303)866-2732
80	235	Work with the Department of Health Care Policy and Financing to identify the most cost-effective methods for having financial compliance reviews completed more frequently.	93.777, 93.778 (P) CMS	Agree	Ongoing	Rita Berreras (303)866-2663
<b>Department of Labor and Employment</b>						
14	62	Isolate and identify the indirect allocation charges for federal grants and perform a reconciliation to the State's financial reporting system periodically.	N/A	Agree	6/30/2002	N/A

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
81	240	Improve coordination efforts between Welfare-to-Work, Temporary Assistance to Needy Families, and other employment programs in the State.	17.253 (P) DOL	Agree	12/31/2001	Les Shenefelt (303)620-4718
82	244	Identify and implement solutions to ensure timely delivery of payroll documents to Welfare-to-Work clients.	17.253 (P) DOL	Partially Agree	12/31/2001	Les Shenefelt (303)620-4718
83	250	Improve how the State's Welfare-to-Work programs are monitored.	17.253 (M) DOL	Agree	10/31/2001	Les Shenefelt (303)620-4718
84	253	Ensure that workforce regions maintain complete and accurate records on Welfare-to-Work clients.	17.253 (P) DOL	Agree	12/31/2001	Les Shenefelt (303)620-4718
<b>Department of Military Affairs</b>						
15	64	Improve oversight of financial activity and ensure controls over accounting functions are adequate.	12.400, 12.404, 12.401 (P) DOD	Partially Agree	Partially Implemented	Carol Mentone (303)677-8723
16	68	Reduce delays in processing transactions.	12.400, 12.404, 12.401 (P) DOD	Partially Agree	Partially Implemented	Carol Mentone (303)677-8723

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Natural Resources</b>						
<b>Oil and Gas Conservation Commission</b>						
17	74	Ensure that all certificates of deposit are in compliance with statutory and other legal requirements by (a) determining whether they are being held in eligible public depositories, (b) notifying operators of the need to move existing certificates of deposit, (c) enforcing the transfer of all certificates of deposit to eligible public depositories, and (d) working with the Attorney General's Office to determine who should be designated as the official custodian of the certificates of deposit.	N/A	Agree	7/1/2002	N/A
<b>Division of Wildlife</b>						
18	79	Improve controls to reduce the number of cancelled payments by (a) ensuring applicant information is correct, (b) cross-checking between returned limited license refund checks and returning applicants, (c) following up on returned limited license refunds, (d) documenting the reason for a duplicate payment, and (e) documenting the reason for cancelling a warrant.	N/A	Agree	Parts a and c: Implemented Part b: 3/31/2003 Parts d and e: 2/1/2002	N/A
<b>Division of Minerals and Geology</b>						
19	82	Perform a monthly reconciliation between internal databases and the State's accounting system for (a) mined land reclamation deposits and (b) cash receipts.	N/A	Agree	Part a: 2/8/2002 Part b: 2/20/2002	N/A

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Department of Personnel and Administration</b>						
20	88	Monitor sick and annual leave on a statewide basis by (a) reviewing the adequacy of leave tracking systems and (b) establishing a project schedule and deadlines for implementing a statewide automated leave system.	N/A	Part a: Agree Part b: Agree	Part a: 6/1/2002 and ongoing Part b: 6/30/2003	N/A
21	90	Should ensure that (a) the payroll process duties are segregated and (b) all divisions receive and review their payroll expense reports, and payroll staff review and verify that each division confirms the accuracy of its monthly and biweekly payroll in a timely manner.	N/A	Agree	3/1/2002	N/A
22	91	Implement procedures to review Central Collections' supporting documentation prior to approval of payments.	N/A	Agree	3/1/2002	N/A
<b>State Controller's Office</b>						
23	94	Assess ongoing problems identified during audits, and assist agencies in addressing and resolving high priority problems.	N/A	Agree	6/30/2002 and ongoing	N/A
24	97	Record write-offs of uncollectible accounts receivable as a current year expense in the year in which the determination is made, unless evidence exists that attributes the adjustment to a prior period.	N/A	Partially Agree	6/30/2002	N/A
25	98	Eliminate the prenotification requirement or reduce the time period to ensure initial EFT payments to vendors are made in a timely manner.	N/A	Agree	6/30/2002	N/A



## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>State Archives</b>						
26	102	Work with the General Assembly to establish standards for records management.	N/A	Agree	6/30/2003	N/A
27	103	Require the submission of inventory listings of records stored and storage space used from each agency.	N/A	Agree	6/30/2003	N/A
28	103	Improve communication regarding records management requirements among state agencies by creating a users group, which should include records liaison officers from each agency, should meet on a regular basis, and should address (a) records management policies and procedures, (b) purging and destroying records, and (c) maintenance and storage of records.	N/A	Agree	7/15/2002	N/A
29	104	Investigate the various options available and convert the current cataloging system from a paper to an electronic format.	N/A	Agree	6/30/2003	N/A
30	105	Ensure that training is available to all agencies by (a) taking steps to publicize the type and nature of training that is available and (b) conducting general training sessions for all agency records officers.	N/A	Agree	8/1/2002	N/A

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
<b>Central Services</b>						
31	107	Ensure that there is (a) proper segregation of duties and limited access to necessary functions by employees and (b) backups of application files and master data files stored off-site in case of a disaster.	N/A	Agree	6/30/2001	N/A
<b>Department of Public Health and Environment</b>						
<b>Health Facilities Division</b>						
85	262	Improve the home health and HCBS survey process by (a) requiring supervisors to review survey documents, (b) ensuring that surveyor performance evaluations include performance measures, and (c) improving record-keeping.	93.777, 93.778 (P) CMS	Agree	Parts a and b: Implemented Part c: 12/31/2001	Ellen Mangione (303)692-2613
86	265	Ensure that providers are surveyed timely and efficiently by (a) adding a cycle to the survey scheduling and tracking database, (b) requiring surveyors to document reasons for assigning survey cycles, (c) performing regular reviews of assigned cycles for appropriateness, and (d) resurveying new HCBS providers after the providers admit clients.	93.777, 93.778 (P) CMS	Agree	Part a: 12/31/2001 Parts b and c: Implemented Part d: 10/31/2001	Ellen Mangione (303)692-2613
87	267	Ensure that adequate documentation is maintained when changes are made to providers' deficiency lists.	93.777, 93.778 (P) CMS	Agree	12/31/2001	Ellen Mangione (303)692-2613

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
88	268	Work with the federal Health Care Financing Administration to clarify whether scope and severity coding is appropriate for home health deficiencies.	93.777, 93.778 (P) CMS	Agree	10/31/2001	Ellen Mangione (303)692-2613
<b>Department of Revenue</b>						
32	113	Ensure that only eligible individuals claim and receive TABOR credits by (a) identifying and billing individuals that were ineligible, (b) ensuring that taxpayers are eligible for the credits taken, and (c) processing only complete returns, or evaluating methods of ensuring that accurate credits are claimed should the taxpayer fail to submit the required schedules.	N/A	Agree	12/31/2002	N/A
33	116	Resolve outstanding check issues to ensure that taxpayers receive their personal property tax refunds in a timely manner.	N/A	Agree	1/31/2002	N/A
34	118	Enhance personal property tax refund procedures by (a) ensuring all the information furnished by the counties will be entered correctly and encouraging counties to file the report electronically and (b) providing additional training and assistance to counties.	N/A	Agree	Implemented	N/A
<b>Office of the State Treasurer</b>						
35	121	Ensure that all custodial funds receive the proper amount of interest due by (a) identifying the custodial funds that should receive interest, (b) determining how much interest should have been paid to custodial funds for the past three fiscal years, and (c) determining the TABOR effect.	N/A	Agree	6/30/2002	N/A

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
89	272	Comply with CMIA regulations by maintaining proper documentation to support the State's direct cost claim.	10.553, 10.555, 84.010, 84.027, 84.340, 93.767, 93.778, 10.551, 10.558, 10.561, 84.126, 93.558, 93.563, 93.568, 93.575, 93.596, 93.658, 93.667, 93.959, 96.001, 17.207, 17.225, 17.253, 17.258, 17.259, 17.260, 14.228, 10.557, 66.802, 20.205 (C) DOE, DOL, DOT, DHHS, EPA, HUD, SSA, USDA	Agree	12/31/2001	Doug Windes (303)866-3253
<b>Department of Transportation</b>						
36	128	Create a standard template to complete reconciliations of the Note proceeds bank accounts, and assign and train one individual to perform the reconciliations.	N/A	Agree	12/31/2001	N/A
37	129	Should (a) ensure that leases are properly classified as operating or capital, (b) evaluate the completeness and accuracy of the operating lease summary, and (c) review the operating lease summary for accuracy at year-end.	N/A	Agree	6/30/2002	N/A

---

## FEDERAL SINGLE AUDIT RECOMMENDATION LOCATOR

---

Rec. No.	Page No.	Recommendation Summary	CFDA No. / Compliance Requirement / Federal Entity	Agency Response	Implementation Date	Contact for Corrective Action Plan
90	274	Require field engineers to provide written communication of the number of interviews performed, as well as anticipated future interviews.	20.205 (D) FHWA	Agree	6/30/2002	George McCullar (303)757-9557
91	275	Monitor and review entries to the pay system and payments made to contractors.	20.205 (A),(B),(I) FHWA	Agree	12/31/2001	George McCullar (303)757-9557

---

## **Compliance Requirements**

- (A) Activities allowed or unallowed
- (B) Allowable costs/cost principles
- (C) Cash Management
- (D) Davis - Bacon Act
- (E) Eligibility
- (I) Procurement and Suspension and Debarment
- (L) Reporting
- (M) Subrecipient monitoring
- (N) Special tests and provisions
- (P) Other

## **Federal Entities**

CMS - Centers for Medicare and Medicaid Services  
DHHS - Department of Health and Human Services  
DOD - Department of Defense  
DOE - Department of Education  
DOEN - Department of Energy  
DOL - Department of Labor  
DOT - Department of Transportation  
EPA - Environmental Protection Agency  
FHWA - Federal Highway Administration  
HUD - Department of Housing and Urban Development  
NASA - National Aeronautics and Space Administration  
OSHR - Occupational Safety and Health Review Commission  
SSA - Social Security Administration  
USDA - United States Department of Agriculture

**Net Passed Audit Adjustments by Agency  
For The Fiscal Year Ended June 30, 2001  
Increase (Decrease)**

<b>Agency Name</b>	<b>Assets</b>		<b>Liabilities</b>		<b>Fund Balance</b>		<b>Revenue</b>	<b>Expenditures</b>
<b>Agriculture</b>	\$	257,920	\$	196,853	\$	228,541	\$ (17,182)	\$ 150,292
<b>Corrections</b>		-		197,014		-	-	197,014
<b>Education</b>		-		-		-	-	-
<b>Governor</b>		-		-		-	-	-
<b>Health Care Policy and Financing</b>		-		-		-	15,880,218	15,880,218
<b>Higher Education</b>		(2,058,136)		209,815		(2,654,333)	(1,024,758)	(1,411,140)
<b>Human Services</b>		18,957		-		-	(326)	(19,283)
<b>Judicial</b>		(1,512,612)		(1,512,612)		-	-	-
<b>Labor and Employment</b>		(416,989)		1,367,819		-	-	1,784,808
<b>Law</b>		-		-		-	-	-
<b>Legislative</b>		-		-		-	-	-
<b>Local Affairs</b>		(407)		354,206		-	(354,613)	-
<b>Military Affairs</b>		(2,558,729)		-		-	58,810	2,617,539
<b>Natural Resources</b>		140,021		65,717		-	74,304	-
<b>Personnel and Administration</b>		5,597,534		5,597,534		-	-	-
<b>Public Health and Environment</b>		-		-		-	-	-
<b>Public Safety</b>		-		116,351		-	-	116,351
<b>Regulatory Agencies</b>		-		-		-	-	-
<b>Revenue</b>		(157,664)		-		-	-	157,664
<b>State</b>		-		-		-	-	-
<b>Transportation</b>		471,681		471,681		-	-	-
<b>Treasury</b>		-		-		-	-	-
<b>Net Increase (Decrease)</b>	\$	(218,424)	\$	7,064,378	\$	(2,425,792)	\$ 14,616,453	\$ 19,473,463

**Gross Passed Audit Adjustments by Agency  
For Fiscal Year Ended June 30, 2001**

Agency Name	Assets		Liabilities		Fund Balance		Revenue	Expenditures		
Agriculture	\$	450,830	\$	406,853	\$	228,541	\$	699,658	\$	150,292
Corrections		-		197,014		-		-		197,014
Education		-		-		-		-		-
Governor		-		-		-		-		-
Health Care Policy and Financing		-		-		-	15,880,218		15,880,218	
Higher Education		20,736,916		5,499,646		6,834,405	11,519,206		25,955,797	
Human Services		143,331		-		-	207,618		19,283	
Judicial		1,512,612		4,996,140		-	-		-	
Labor and Employment		416,989		2,201,797		-	-		1,784,808	
Law		-		-		-	-		-	
Legislative		-		-		-	-		-	
Local Affairs		557		361,824		-	362,231		-	
Military Affairs		2,676,349		-		-	58,810		2,617,539	
Natural Resources		231,859		155,717		-	74,304		-	
Personnel and Administration		5,597,534		5,597,534		-	-		-	
Public Health and Environment		-		-		-	-		-	
Public Safety		-		116,351		-	-		116,351	
Regulatory Agencies		-		-		-	-		-	
Revenue		157,664		5,281,288		-	5,281,288		157,664	
State		-		-		-	-		-	
Transportation		471,681		471,681		-	-		-	
Treasury		-		-		-	499,102		-	
	\$	32,396,322	\$	25,285,845	\$	7,062,946	\$	34,083,333	\$	46,878,966



**Net Posted Audit Adjustments by Agency  
For The Fiscal Year Ended June 30, 2001  
Increase (Decrease)**

<b>Agency Name</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Fund Balance</b>	<b>Revenue</b>	<b>Expenditures</b>
<b>Agriculture</b>	\$ (190,033)	\$ -	\$ -	\$ (190,033)	\$ -
<b>Corrections</b>	-	-	-	-	-
<b>Education</b>	-	-	-	-	-
<b>Governor</b>	79,939	-	-	79,939	-
<b>Health Care Policy and Financing</b>	2,070,005	-	(15,880,218)	2,070,005	(15,880,218)
<b>Higher Education</b>	3,197,853	10,931,990	(11,414,676)	(20,857,134)	(24,537,673)
<b>Human Services</b>	(5,811,706)	(5,811,706)	-	6,016,986	6,016,986
<b>Judicial</b>	-	-	-	-	-
<b>Labor and Employment</b>	-	-	-	-	-
<b>Law</b>	-	-	-	-	-
<b>Legislative</b>	-	-	-	-	-
<b>Local Affairs</b>	-	-	-	-	-
<b>Military Affairs</b>	42,408	-	-	42,408	-
<b>Natural Resources</b>	-	-	-	-	-
<b>Personnel and Administration</b>	1,619,904	11,406,530	-	(9,784,363)	2,263
<b>Public Health and Environment</b>	-	-	-	-	-
<b>Public Safety</b>	-	-	-	-	-
<b>Regulatory Agencies</b>	-	-	-	-	-
<b>Revenue</b>	-	-	-	-	-
<b>State</b>	-	-	-	-	-
<b>Transportation</b>	(71,456)	5,574,611	-	1,778,544	7,424,611
<b>Treasury</b>	-	-	-	-	-
<b>Net Increase (Decrease)</b>	<b>\$ 936,914</b>	<b>\$ 22,101,425</b>	<b>\$ (27,294,894)</b>	<b>\$ (20,843,648)</b>	<b>\$ (26,974,031)</b>

**Gross Posted Audit Adjustments by Agency  
For Fiscal Year Ended June 30, 2001**

<b>Agency Name</b>	<b>Assets</b>		<b>Liabilities</b>		<b>Fund Balance</b>		<b>Revenue</b>	<b>Expenditures</b>
<b>Agriculture</b>	\$	190,033	\$	-	\$	-	\$ 190,033	\$ -
<b>Corrections</b>		-		-		-	-	-
<b>Education</b>		-		-		-	-	-
<b>Governor</b>		79,939		-		-	153,845	-
<b>Health Care Policy and Financing</b>		33,830,441		-		15,880,218	2,070,005	24,160,236
<b>Higher Education</b>		16,399,755		16,739,814		11,414,676	36,181,009	26,934,325
<b>Human Services</b>		5,839,534		5,839,534		-	6,016,986	6,016,986
<b>Judicial</b>		-		-		-	-	-
<b>Labor and Employment</b>		-		-		-	-	-
<b>Law</b>		-		-		-	-	-
<b>Legislative</b>		-		-		-	-	-
<b>Local Affairs</b>		-		-		-	-	-
<b>Military Affairs</b>		42,408		-		-	42,408	-
<b>Natural Resources</b>		-		-		-	-	-
<b>Personnel and Administration</b>		28,560,956		13,406,530		-	16,547,737	1,297,109
<b>Public Health and Environment</b>		-		-		-	-	-
<b>Public Safety</b>		-		-		-	-	-
<b>Regulatory Agencies</b>		-		-		-	-	-
<b>Revenue</b>		-		-		-	8,018	-
<b>State</b>		-		-		-	-	-
<b>Transportation</b>		6,237,282		9,274,611		-	4,387,282	7,424,611
<b>Treasury</b>		259,438		3,000,000		-	360,398	8,018
	\$	91,439,786	\$	48,260,489	\$	27,294,894	\$ 65,957,721	\$ 65,841,285

The electronic version of this report is available on the Web site of the  
Office of the State Auditor  
**[www.state.co.us/auditor](http://www.state.co.us/auditor)**

A bound report may be obtained by calling the  
Office of the State Auditor  
**303-866-2051**

Please refer to the Report Control Number below when requesting this report.

**Report Control Number 1371**